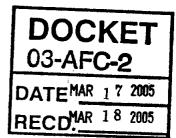
Notice of Decision by California Energy Commission



To: X California Resources Agency 1416 9th Street, Room 1311 Sacramento, CA 95814

From: California Energy Commission 1516 9th Street Sacramento, CA 95814

Subject: Filing of Notice of Decision in compliance with Public Resources Code Section 21080.5

and Title 20, California Code of Regulations, Section 1768

Project Title: LOS ESTEROS CRITICAL ENERGY FACILITY 2, PHASE 1

Energy Commission Docket Number: 03-AFC-2

Energy Commission Contact Person: ROBERT WORL

Telephone: (916) 651-8853

Project Location: 800 THOMAS FOON CHEW WAY, SAN JOSE, CA

County: SANTA CLARA COUNTY

Project Description:

Originally licensed on July 2, 2002 (01-AFC-12), as a simple-cycle power plant, the Los Esteros Critical Energy Facility (LECEF) project was required to recertify or convert to combined-cycle operation within 3 years of the original decision date. The current project application (03-AFC-2) contains two parts or phases: Phase 1: recertification of the simple cycle facility; and Phase 2: licensing the conversion of the LECEF to a combined-cycle facility.

The Phase 1 project, recertification of the existing license for the life of the project, was approved by the California Energy Commission at its Business Meeting on March 16, 2005.

Phase 2, licensing the conversion of the LECEF to a combined-cycle facility is currently being processed by the Energy Commission.

The project is a 180 megawatt (MW) simple cycle power plant, with four GE LM6000 natural gasfired turbines and associated electrical generation equipment. Recycled water is used for cooling and for enhanced turbine efficiency. Power is supplied to the grid via an approved 150 foot-long permanent connection through the Pacific Gas & Electric Los Esteros Substation-Nortech 115 kV transmission line. Selective catalytic reduction, and an oxidation catalyst are employed to reduce air pollutant emissions of NOx, SO2, and CO.

On March 16, 2005 the California Energy Commission approved the above-described project, 03-AFC-2, Phase 1, pursuant to a regulatory program certified by the California Secretary of Resources under Section 21080.5 of the California Public Resources Code.

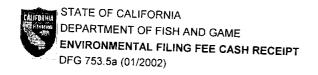
1.	The project	will xx will not have a significant effect on the environment
$\hat{}$	B Atlanta Co	The environment

- 2. Mitigation measures XX were [were not] made a condition of approval of the project.
- 3. A statement of Overriding Considerations [was XX was not] adopted for the project.

The Commission docket files containing the final Commission Decision and other information regarding the project are available to the public at: California Energy Commission, 1516 9th Street, Sacramento, California, 95814. The final Decision and other information regarding the project is also available on the Commission's web site—[www.energy.ca.gov].

			8.7	
Signature: Robert Worl	Date			<u>Project Manager</u> Title
Dates received for filing				
Resources: Office of the Secretary	CEC:			
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Resources Agency of California				

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Receipt No: 2148

Date: 3/18/2005

Lead Agency:

State Agency of Filing:

Energy Commission

Department of Fish and Game

Document No:

Invoice Date:

3/17/2005 #03-AFC-2

Project Title:

Los Esteros Critical Energy Facil 2 Ph-1

2948

Los Esteros Critical Energy LLC 800 Thomas Foon Chew Way

Project Applicant Name Project Applicant Address:

San Jose, CA 94510

City, State, Zip

Project Applicant (check appropriate box)Local Public Agency

School District

Other Special District

State Agency

Private Entity

APPLICABLE FEES:

Environmental Impact Report:

\$0.00

Negative Declaration:

\$0.00

Application Fee Water Diversion (State Water Resources Control Board Only):

\$0.00

Projects Subject to Certified Regulatory Programs

\$850.00

Lien fee:

\$0.00

\$0.00

Penalty:

\$0.00

County Administrative Fee: Project exempt from fees

otal Received

\$0.00 \$850.00

Person receiving payment:

Bill Terry, Accounting Technician

4 copies - Project Applicant, DFG/FASB, Lead Agency, County/State Agency of Filing